

**PROGRAM NARRATIVE****408 Public Service Commission****Date:** 01/13/2011**Time:** 11:30:19**Program:** Administration**Reporting level:** 00-408-100-00-00-00-00000000**Program Performance Measures**

Not Available.

**Program Statistical Data**

During the 2007-09 Biennium, 1,843 cases were opened by the Commission; about 655 more cases were opened than the previous biennium. About 97% of the cases were processed without the need for a formal hearing. About 45% were processed and closed in less than thirty days and about 28% were closed within sixty days or less. Cases include such activities as permits for reclamation, rates and tariffs, public convenience and need certificates, licensing functions, fuel adjustment clauses for utilities companies, consumer complaints, annual reports, applications for approval and other miscellaneous filings.

**Explanation of Program Costs**

The program employs 13.44 full-time employees including the three commissioners. The salary and wages line item includes the bulk of program expenditures. Of the remaining expenditures, more than half are technology related including such items as hardware, software, contractual services, ISD port charges, telephones, repairs and computer training. More details regarding the commission's computer system can be reviewed in its Information Technology Plan.

**Program Goals and Objectives**

The Commission's administrative functions are handled by its executive secretary and staff in its Legal and Technology Divisions. These divisions provide legal, data processing, budgeting, accounting, administrative, and personnel-related services to the Commission and its various regulatory divisions. These support services are provided to help the Commission carry out its statutory mandates in a timely, responsive, effective, and efficient manner.

**REQUEST DETAIL BY PROGRAM**

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Biennium: 2011-2013

Time: 11:30:19

<b>Program:</b> Administration	<b>Reporting Level:</b> 00-408-100-00-00-00-00000000
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Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
<b>Salaries and Wages</b>					
Salaries - Permanent	1,302,204	1,553,926	116,024	1,669,950	0
Fringe Benefits	400,904	524,765	29,885	554,650	0
<b>Total</b>	<b>1,703,108</b>	<b>2,078,691</b>	<b>145,909</b>	<b>2,224,600</b>	<b>0</b>
<b>Salaries and Wages</b>					
General Fund	1,103,071	1,542,428	137,583	1,680,011	0
Federal Funds	600,037	536,263	8,326	544,589	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>1,703,108</b>	<b>2,078,691</b>	<b>145,909</b>	<b>2,224,600</b>	<b>0</b>
<b>Operating Expenses</b>					
Travel	36,325	81,000	0	81,000	0
Supplies - IT Software	44,670	30,000	0	30,000	0
Supply/Material-Professional	4,828	7,200	0	7,200	0
Bldg, Ground, Maintenance	14	0	0	0	0
Miscellaneous Supplies	702	500	0	500	0
Office Supplies	26,299	21,850	0	21,850	0
Postage	2,715	4,500	0	4,500	0
Printing	5,340	10,000	0	10,000	0
IT Equip Under \$5,000	61,737	59,355	0	59,355	0
Other Equip Under \$5,000	210	1,281	0	1,281	0
Office Equip & Furn Supplies	4,445	3,321	0	3,321	0
Insurance	7,848	9,000	0	9,000	0
Rentals/Leases - Bldg/Land	275	0	0	0	0
Repairs	35,676	15,100	0	15,100	0
IT - Data Processing	111,187	146,650	0	146,650	0
IT - Communications	40,730	53,686	0	53,686	0
IT Contractual Svcs and Rprs	59,191	74,900	15,000	89,900	0
Professional Development	25,807	50,766	0	50,766	0
Operating Fees and Services	25,956	10,000	0	10,000	0
Fees - Professional Services	1,147	8,634	0	8,634	0
Medical, Dental and Optical	218	0	0	0	0
<b>Total</b>	<b>495,320</b>	<b>587,743</b>	<b>15,000</b>	<b>602,743</b>	<b>0</b>

**Operating Expenses**

General Fund	493,310	587,743	15,000	602,743	0
Federal Funds	0	0	0	0	0
Special Funds	2,010	0	0	0	0

**REQUEST DETAIL BY PROGRAM**

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Biennium: 2011-2013

Program: Administration		Reporting Level: 00-408-100-00-00-00-00000000			
Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
<b>Total</b>	<b>495,320</b>	<b>587,743</b>	<b>15,000</b>	<b>602,743</b>	<b>0</b>
<b>Capital Assets</b>					
Equipment Over \$5000	0	10,000	(10,000)	0	0
IT Equip/Sftware Over \$5000	52,460	42,500	10,500	53,000	0
<b>Total</b>	<b>52,460</b>	<b>52,500</b>	<b>500</b>	<b>53,000</b>	<b>0</b>
<b>Capital Assets</b>					
General Fund	52,460	48,900	500	49,400	0
Federal Funds	0	3,600	0	3,600	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>52,460</b>	<b>52,500</b>	<b>500</b>	<b>53,000</b>	<b>0</b>
<b>Total Expenditures</b>	<b>2,250,888</b>	<b>2,718,934</b>	<b>161,409</b>	<b>2,880,343</b>	<b>0</b>
<b>Funding Sources</b>					
<b>General Fund</b>					
<b>Total</b>	<b>1,648,841</b>	<b>2,179,071</b>	<b>153,083</b>	<b>2,332,154</b>	<b>0</b>
<b>Federal Funds</b>					
R034 ND Permanent Program	0	3,600	0	3,600	0
R999 Indirect Cost Recovery	600,037	536,263	8,326	544,589	0
<b>Total</b>	<b>600,037</b>	<b>539,863</b>	<b>8,326</b>	<b>548,189</b>	<b>0</b>
<b>Special Funds</b>					
392 Ins. Recoveries Property Fund	2,010	0	0	0	0
<b>Total</b>	<b>2,010</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Funding Sources</b>	<b>2,250,888</b>	<b>2,718,934</b>	<b>161,409</b>	<b>2,880,343</b>	<b>0</b>
<b>FTE Employees</b>	<b>11.65</b>	<b>13.44</b>	<b>(0.01)</b>	<b>13.43</b>	<b>0.00</b>

**CHANGE PACKAGE DETAIL**

408 Public Service Commission

Biennium: 2011-2013

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Program: Administration			Reporting Level: 00-408-100-00-00-00-00000000			
Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds

**Base Budget Changes****Ongoing Budget Changes**

A-A 1 Operating Expense Changes		0.00	15,000	0	0	15,000
A-A 4 IT Equipment over \$5,000		0.00	53,000	0	0	53,000
A-F 1 Remove Capital Asset Appropriations		0.00	(52,500)	0	0	(52,500)
Base Payroll Change		(0.01)	137,583	8,326	0	145,909
<b>Total Ongoing Budget Changes</b>		<b>(0.01)</b>	<b>153,083</b>	<b>8,326</b>	<b>0</b>	<b>161,409</b>
<b>Total Base Budget Changes</b>		<b>(0.01)</b>	<b>153,083</b>	<b>8,326</b>	<b>0</b>	<b>161,409</b>

**PROGRAM NARRATIVE****408 Public Service Commission****Date:** 01/13/2011**Time:** 11:30:19**Program:** Testing, Licensing and Certification**Reporting level:** 00-408-200-00-00-00-00-00000000**Program Performance Measures**

Not Available.

**Program Statistical Data**

**TESTING:** During biennium 2007-2009 the Commission's staff inspected and tested 22,209 weighing or measuring devices. In addition, the Commission monitored the documentation for 16,136 weighing or measuring devices installed or serviced by registered service persons. The devices tested and inspected by Commission staff included gas pumps, platform scales, truck scales, hopper scales, livestock scales, hanging scales and other miscellaneous devices. In addition to the devices listed above, registered service persons also install or service delivery meters and agriculture chemical meters.

Testing and Safety Division conducted 120 gas pipeline inspections and issued 19 violations in the 2007-2009 biennium.

**LICENSING:** During the 2007-2009 biennium, the Licensing Division issued 43 new grain warehouse and facility-based grain buyer licenses, renewed approximately 800 grain warehouse and facility-based grain buyer licenses, and issued or renewed approximately 140 roving grain buyer licenses and 0 hay buyer licenses. These grain buying entities serve as the initial market for much of the grain produced by the state's farmers. The Licensing Division approved 280 capacity increase and 152 capacity decrease requests and granted 44 grain warehouse and facility-based grain buyer requests to discontinue business. The Licensing Division also issued 794 auctioneer licenses and 454 auction clerk and bank clerk licenses. Although the Licensing Division did not file any formal complaints, there were five grain warehouse/ grain buyer insolvencies during the 2007-2009 biennium.

Revenues generated for all grain warehouses, facility-based grain buyer, roving grain buyer, and auctioneer and auction clerk license fees for the 2007-2009 biennium total approximately \$427,100.

In April 2008, the credit-sale contract indemnity fund reached the \$6 million dollar cap and beginning July 1, 2008 assessments were suspended. During the 2007-2009 biennium, claims paid against the fund totaled \$110,315. As of the end of the biennium, the credit-sale contract indemnity fund balance was just over \$6.7 million.

**Explanation of Program Costs**

**TESTING:** The weights and measures program was reduced by one full-time employee in 2010. The costs for the weights and measures program and the gas pipeline safety program are primarily comprised of wages and travel related costs for the inspectors. Due to the closing of the Metrology Lab, future spending will include travel to an out-of-state laboratory for calibration of weights and measures standards used for testing of commercial weighing and measuring devices.

**LICENSING:**

The program employs 3.25 full-time employees. The program costs are primarily comprised of wages and travel related costs for its warehouse inspectors. For many years a large majority of grain warehouses in North Dakota stored federal grain and were regularly inspected by federal inspectors. The Commission developed an inspection

**PROGRAM NARRATIVE****408 Public Service Commission****Date:** 01/13/2011**Time:** 11:30:19**Program:** Testing, Licensing and Certification**Reporting level:** 00-408-200-00-00-00-00-00000000

program for the approximately 150 warehouses not inspected by federal inspectors which involved primarily facilities that handled commodities such as dry edible beans, peas and lentils, organic grain, and crushing and processing facilities. The grain warehouse inspectors conducted inspections on a 12 – 15 month basis and performed approximately 130 inspections annually. In early 2009, the federal government ceased inspections at all state licensed grain warehouses. The Commission is now responsible for conducting inspections at approximately 300 facilities and anticipates inspections will be conducted on a 24 month or longer basis.

**Program Goals and Objectives**

TESTING: 1) Inspect, test, and certify all commercial weighing and measuring devices used in North Dakota. 2) Test and license all registered service/self-certifying companies and administer their compliance with State law and Commission rules. 3) Operate the State Metrology Lab and maintain traceability of all weight/volume standards to the National Institute of Standards and Technology. 4) Inspect all gas intrastate transmission and distribution systems for compliance to State law and recommend actions for substandard conditions. 5) Develop and recommend rule changes and enforcement procedures to the Commission. 6) Provide timely and accurate information in response to inquiries/complaints regarding the Weights and Measures and Pipeline Safety Programs.

LICENSING: Regulate: 1) public grain warehouses and grain buyers in order to protect the interests of farmers who market their grain through these companies; 2) auctioneers and clerks in order to protect the interests of persons buying or selling real or personal property via public auction; and 3) railroad activities to promote a healthy industry and fair treatment for all shippers. Exercise complaint authority over licensed and unlicensed public grain warehouses and grain buyers and investigate unfair practices and unfair discrimination.

# REQUEST DETAIL BY PROGRAM

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Biennium: 2011-2013

Program: Testing, Licensing and Certification Reporting Level: 00-408-200-00-00-00-00000000

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
<b>Salaries and Wages</b>					
Salaries - Permanent	802,380	920,421	(92,155)	828,266	0
Fringe Benefits	298,723	361,914	(27,174)	334,740	0
Reduction In Salary Budget	0	0	0	0	(173,088)
<b>Total</b>	<b>1,101,103</b>	<b>1,282,335</b>	<b>(119,329)</b>	<b>1,163,006</b>	<b>(173,088)</b>

## Salaries and Wages

General Fund	1,060,826	1,198,288	(99,662)	1,098,626	(173,088)
Federal Funds	40,277	84,047	(19,667)	64,380	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>1,101,103</b>	<b>1,282,335</b>	<b>(119,329)</b>	<b>1,163,006</b>	<b>(173,088)</b>

## Operating Expenses

Travel	328,467	432,962	18,226	451,188	0
Supplies - IT Software	3,690	7,479	(900)	6,579	0
Supply/Material-Professional	114	700	(200)	500	0
Food and Clothing	2,731	2,900	500	3,400	0
Bldg, Ground, Maintenance	2,899	3,479	0	3,479	0
Miscellaneous Supplies	6,546	5,571	(1,400)	4,171	0
Office Supplies	44	1,001	900	1,901	0
Postage	5,962	7,950	(1,600)	6,350	0
Printing	2,444	4,000	700	4,700	0
IT Equip Under \$5,000	0	2,050	0	2,050	0
Other Equip Under \$5,000	9,887	5,000	0	5,000	0
Office Equip & Furn Supplies	396	1,000	0	1,000	0
Insurance	921	1,034	(100)	934	0
Rentals/Leases - Bldg/Land	2,204	4,000	(1,200)	2,800	0
Repairs	12,018	11,800	(300)	11,500	0
IT - Communications	3,085	4,100	0	4,100	0
IT Contractual Svcs and Rprs	3,486	3,200	(200)	3,000	0
Professional Development	3,617	2,980	(1,300)	1,680	0
Operating Fees and Services	57,340	9,272	2,000	11,272	0
Fees - Professional Services	6,723	84,128	(2,500)	81,628	0
<b>Total</b>	<b>452,574</b>	<b>594,606</b>	<b>12,626</b>	<b>607,232</b>	<b>0</b>

## Operating Expenses

General Fund	407,360	528,565	12,626	541,191	0
Federal Funds	45,214	66,041	0	66,041	0
Special Funds	0	0	0	0	0

**REQUEST DETAIL BY PROGRAM**

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Biennium: 2011-2013

Program: Testing, Licensing and Certification		Reporting Level: 00-408-200-00-00-00-00000000			
Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
<b>Total</b>	<b>452,574</b>	<b>594,606</b>	<b>12,626</b>	<b>607,232</b>	<b>0</b>
<b>Capital Assets</b>					
Equipment Over \$5000	13,498	0	0	0	0
<b>Total</b>	<b>13,498</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Assets</b>					
General Fund	13,498	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>13,498</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Rail Rate Complaint Case</b>					
Fees - Professional Services	0	900,000	0	900,000	0
<b>Total</b>	<b>0</b>	<b>900,000</b>	<b>0</b>	<b>900,000</b>	<b>0</b>
<b>Rail Rate Complaint Case</b>					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	900,000	0	900,000	0
<b>Total</b>	<b>0</b>	<b>900,000</b>	<b>0</b>	<b>900,000</b>	<b>0</b>
<b>Total Expenditures</b>	<b>1,567,175</b>	<b>2,776,941</b>	<b>(106,703)</b>	<b>2,670,238</b>	<b>(173,088)</b>
<b>Funding Sources</b>					
<b>General Fund</b>					
<b>Total</b>	<b>1,481,684</b>	<b>1,726,853</b>	<b>(87,036)</b>	<b>1,639,817</b>	<b>(173,088)</b>
<b>Federal Funds</b>					
R030 Gas Pipeline Safety Program	63,333	150,088	(19,667)	130,421	0
R079 One Call Grant	22,158	0	0	0	0
<b>Total</b>	<b>85,491</b>	<b>150,088</b>	<b>(19,667)</b>	<b>130,421</b>	<b>0</b>
<b>Special Funds</b>					
277 State Rail Fund 277	0	900,000	0	900,000	0
<b>Total</b>	<b>0</b>	<b>900,000</b>	<b>0</b>	<b>900,000</b>	<b>0</b>



**REQUEST DETAIL BY PROGRAM**

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Biennium: 2011-2013

Program: Testing, Licensing and Certification

Reporting Level: 00-408-200-00-00-00-00000000

Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
Total Funding Sources	1,567,175	2,776,941	(106,703)	2,670,238	(173,088)
FTE Employees	10.57	9.60	-0.00	9.60	0.00

**CHANGE PACKAGE DETAIL**

408 Public Service Commission

Biennium: 2011-2013

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Program: Testing, Licensing and Certification

Reporting Level: 00-408-200-00-00-00-00000000

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
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**Base Budget Changes****Ongoing Budget Changes**

A-A 1 Operating Expense Changes		0.00	12,626	0	0	12,626
Base Payroll Change		-0.00	(99,662)	(19,667)	0	(119,329)
<b>Total Ongoing Budget Changes</b>		<b>-0.00</b>	<b>(87,036)</b>	<b>(19,667)</b>	<b>0</b>	<b>(106,703)</b>
<b>Total Base Budget Changes</b>		<b>-0.00</b>	<b>(87,036)</b>	<b>(19,667)</b>	<b>0</b>	<b>(106,703)</b>

**Optional Savings Changes**

A-G 1 3% Optional Savings	1	0.00	(173,088)	0	0	(173,088)
<b>Total Optional Savings Changes</b>		<b>0.00</b>	<b>(173,088)</b>	<b>0</b>	<b>0</b>	<b>(173,088)</b>

**PROGRAM NARRATIVE****408 Public Service Commission****Date:** 01/13/2011**Time:** 11:30:19**Program:** Public Utilities**Reporting level:** 00-408-300-00-00-00-00000000**Program Performance Measures**

The case load, described in the next section, is handled by 4 analysts and 1 administrative assistant with support from the legal division and the commission's information officer.

**Program Statistical Data**

During the 2007-09 biennium, this program processed 883 cases on matters that included 258 report filings, 108 interconnection and service area agreements, 170 fuel cost adjustment applications, 87 public convenience and necessity certificates, 146 tariff filings, 45 energy conversion and transmission facility siting cases, 3 advance determination of prudence cases, 4 rate increase applications, 16 filed complaints and 46 other miscellaneous filings.

The Commission recorded approximately 1,900 complaints and inquiries during the 2007-09 biennium, the majority involved telecommunications.

**Explanation of Program Costs**

The program employs 5.84 full-time employees. The majority of the requested funds is related to salaries but also includes operating expenses necessary to monitor and enforce compliance with the statutory requirements of public utility companies.

**Program Goals and Objectives**

Investigate profits, standards and conditions of service, service area boundaries, long range plans and siting routes of electric and gas utilities with the intent of allowing enough profit to maintain minimum cost of service for a desirable level of quality. Investigate and recommend compliance status of electric, gas and telecommunication companies within state law, Commission rules and orders. Evaluate impact of ownership transfers. Implement Telecommunications Act of 1996. Exercise complaint authority and compliant adjudication authority over telecommunication prices and quality of service. Provide assistance to the public concerning complaints, inquiries and requests for information relating to rates, billing procedures, service deficiencies, safety, and customer relations.

**REQUEST DETAIL BY PROGRAM**

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Biennium: 2011-2013

Program: Public Utilities		Reporting Level: 00-408-300-00-00-00-00000000			
Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
<b>Salaries and Wages</b>					
Salaries - Permanent	628,811	827,835	(17,775)	810,060	0
Fringe Benefits	191,950	260,509	(5,205)	255,304	0
<b>Total</b>	<b>820,761</b>	<b>1,088,344</b>	<b>(22,980)</b>	<b>1,065,364</b>	<b>0</b>
<b>Salaries and Wages</b>					
General Fund	820,761	1,088,344	(22,980)	1,065,364	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>820,761</b>	<b>1,088,344</b>	<b>(22,980)</b>	<b>1,065,364</b>	<b>0</b>
<b>Operating Expenses</b>					
Travel	19,485	25,500	0	25,500	0
Supplies - IT Software	0	5,430	0	5,430	0
Supply/Material-Professional	3,739	3,911	0	3,911	0
Food and Clothing	0	200	0	200	0
Bldg, Ground, Maintenance	0	100	0	100	0
Miscellaneous Supplies	11	1,092	0	1,092	0
Office Supplies	195	260	0	260	0
Postage	7,513	8,318	0	8,318	0
Printing	12	100	0	100	0
Other Equip Under \$5,000	0	5,000	0	5,000	0
Office Equip & Furn Supplies	448	8,597	0	8,597	0
Repairs	0	114	0	114	0
IT - Communications	163	0	0	0	0
Professional Development	12,554	19,600	0	19,600	0
Operating Fees and Services	29,410	27,000	0	27,000	0
Fees - Professional Services	141,771	95,800	0	95,800	0
Medical, Dental and Optical	300	0	0	0	0
<b>Total</b>	<b>215,601</b>	<b>201,022</b>	<b>0</b>	<b>201,022</b>	<b>0</b>
<b>Operating Expenses</b>					
General Fund	71,022	76,022	0	76,022	0
Federal Funds	0	0	0	0	0
Special Funds	144,579	125,000	0	125,000	0
<b>Total</b>	<b>215,601</b>	<b>201,022</b>	<b>0</b>	<b>201,022</b>	<b>0</b>
<b>Federal Stimulus Funds 2009</b>					
Temporary Salaries	0	328,128	(328,128)	0	362,176

**REQUEST DETAIL BY PROGRAM**

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Biennium: 2011-2013

Program: Public Utilities		Reporting Level: 00-408-300-00-00-00-00000000			
Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
Fringe Benefits	0	115,476	(115,476)	0	56,041
Travel	0	35,000	(35,000)	0	75,000
Supplies - IT Software	0	9,396	0	0	10,000
IT Equip Under \$5,000	0	14,000	(14,000)	0	10,000
Rentals/Leases - Bldg/Land	0	56,000	0	0	0
Professional Development	0	50,000	(50,000)	0	60,000
Operating Fees and Services	0	158,350	(158,350)	0	85,000
<b>Total</b>	<b>0</b>	<b>766,350</b>	<b>(700,954)</b>	<b>0</b>	<b>658,217</b>
<b>Federal Stimulus Funds 2009</b>					
General Fund	0	0	0	0	0
Federal Funds	0	766,350	(766,350)	0	658,217
Special Funds	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>766,350</b>	<b>(700,954)</b>	<b>0</b>	<b>658,217</b>
<b>Total Expenditures</b>	<b>1,036,362</b>	<b>2,055,716</b>	<b>(789,330)</b>	<b>1,266,386</b>	<b>658,217</b>
<b>Funding Sources</b>					
<b>General Fund</b>					
<b>Total</b>	<b>891,783</b>	<b>1,164,366</b>	<b>(22,980)</b>	<b>1,141,386</b>	<b>0</b>
<b>Federal Funds</b>					
R097 ARRA Funding	0	766,350	(766,350)	0	658,217
<b>Total</b>	<b>0</b>	<b>766,350</b>	<b>(766,350)</b>	<b>0</b>	<b>658,217</b>
<b>Special Funds</b>					
248 PSC Valuation Revolving Fund 248	144,579	125,000	0	125,000	0
<b>Total</b>	<b>144,579</b>	<b>125,000</b>	<b>0</b>	<b>125,000</b>	<b>0</b>
<b>Total Funding Sources</b>	<b>1,036,362</b>	<b>2,055,716</b>	<b>(789,330)</b>	<b>1,266,386</b>	<b>658,217</b>
<b>FTE Employees</b>	<b>5.68</b>	<b>5.84</b>	<b>-0.00</b>	<b>5.84</b>	<b>0.00</b>

**CHANGE PACKAGE DETAIL**

408 Public Service Commission

Biennium: 2011-2013

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Program: Public Utilities			Reporting Level: 00-408-300-00-00-00-00000000			
Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds

**Base Budget Changes****One Time Budget Changes**

A-E 1 Remove ARRA Budget Authority		0.00	0	(322,746)	0	(322,746)
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<b>Total One Time Budget Changes</b>		<b>0.00</b>	<b>0</b>	<b>(322,746)</b>	<b>0</b>	<b>(322,746)</b>
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**Ongoing Budget Changes**

Base Payroll Change		-0.00	(22,980)	(443,604)	0	(466,584)
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<b>Total Ongoing Budget Changes</b>		<b>-0.00</b>	<b>(22,980)</b>	<b>(443,604)</b>	<b>0</b>	<b>(466,584)</b>
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<b>Total Base Budget Changes</b>		<b>-0.00</b>	<b>(22,980)</b>	<b>(766,350)</b>	<b>0</b>	<b>(789,330)</b>
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**Optional Budget Changes****One Time Optional Changes**

A-D 1 Request for ARRA budget authority	1	0.00	0	658,217	0	658,217
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<b>Total One Time Optional Changes</b>		<b>0.00</b>	<b>0</b>	<b>658,217</b>	<b>0</b>	<b>658,217</b>
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<b>Total Optional Budget Changes</b>		<b>0.00</b>	<b>0</b>	<b>658,217</b>	<b>0</b>	<b>658,217</b>
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**PROGRAM NARRATIVE****408 Public Service Commission****Date:** 01/13/2011**Time:** 11:30:19**Program:** Reclamation Programs**Reporting level:** 00-408-400-00-00-00-00000000**Program Performance Measures**

Not Available.

**Program Statistical Data**

The Reclamation Division is responsible for administering and enforcing the State's reclamation law for minimizing the environmental effects of surface coal mining and ensuring mined lands are properly reclaimed. During the 2007-2009 biennium, the Commission permitted an additional 5,438 acres for surface coal mining and reclamation operations. Fifty-three permit revisions were approved during that two-year period, including three significant revisions that added acreage to existing permits. Seven permit renewals were also approved. Nine final bond release applications were approved during the 2007-09 biennium where the Commission terminated its jurisdiction on 3,423 acres that had been under permit. The Reclamation Division conducted 1,434 inspections on 35 inspectable units and eight Notices of Violation were issued during the biennium.

At the end of the biennium, 107,223 acres were under permits held by nine companies for eleven mine sites. Of the eleven mines, six are active and the other five were inactive and under reclamation. An application for a new mine, the Otter Creek Mine, was filed in late 2008 to permit 5,490 acres northwest of Center and a detailed technical review has been conducted during the 2009-11 biennium. South Heart Coal, LLC, also filed a permit application covering nearly 4,581 acres for a new mine southwest of South Heart. The amount of coal mined during the 2007-09 biennium totaled 59,737,858 tons, a decrease of about 1.6 million tons compared to the previous biennium.

A reclamation fee on lignite mined in North Dakota is collected by the federal government to fund the abandoned mine lands reclamation program. The Abandoned Mine Lands Division (AML) uses the funds to reclaim abandoned mine lands with dangerous high walls, to fill sink holes and stabilize collapsed underground mines.

During the 2007-09 biennium, several major projects were carried out to eliminate hazards at abandoned surface and underground coal mines. Projects were carried out near Williston to inject pressurized grout into abandoned underground mine voids located under public roads and near homes. Construction projects to backfill dangerous highwalls at abandoned surface mines were completed south of Columbus and west of Hazen. Smaller projects to fill sinkholes caused by past underground mining were carried out at numerous locations in western North Dakota.

Emergency projects to fill sinkholes were completed near Beulah, Parshall and Wilton and an emergency drilling and grouting project was conducted near Williston to stabilize near-surface mine voids beneath a metal crafting and landscaping business. Special federal funds were also used in the spring of 2009 to extinguish coal outcrop fires at several locations in western North Dakota.

AML Division staff designed the reclamation projects, but all of the actual construction work was done by private contractors.

The Reclamation and AML Divisions continue to add more data to a Geographic Information System (GIS) to manage spatial data. The Reclamation Division uses the GIS data to assist in carrying out its technical reviews and to make mine inspections more efficient. This includes downloading GIS data onto tablet laptop computers equipped with GPS for use during routine mine inspections. The AML Division is also adding data to the GIS on all known abandoned mine sites in North Dakota.

**Explanation of Program Costs**

The reclamation programs are authorized 14.13 full-time employees and two part-time seasonal employees.

Most of the program's costs are paid by the federal government on a cost reimbursable basis. The funds are primarily used to pay for wages and procure outside construction and professional services for abandoned mine lands reclamation. The costs of administering and enforcing the coal regulatory program are split 36% state

**PROGRAM NARRATIVE****408 Public Service Commission****Date:** 01/13/2011**Time:** 11:30:19**Program:** Reclamation Programs**Reporting level:** 00-408-400-00-00-00-00-00000000

general funds and 64% federal funds while the AML program is 100% federal funds. The commission also collects indirect costs from the federal government on the salaries of the employees that work on these programs. Federal legislation enacted by Congress in late 2006 to re-authorize the AML program and to extend the federal reclamation fee until 2022 that is used to fund the program. This legislation resulted in a significant increase in the amount of federal funds that North Dakota receives for its AML program starting in calendar year 2008. For calendar years 2011 and 2012, the commission expects to receive approximately 3.5 and 4.2 million dollars of federal funds, respectively, compared to the 1.6 million dollars per year that the program had received for many years prior to 2008.

**Program Goals and Objectives**

1. Reclaim all land currently surface mined for lignite to standards required under State and Federal law. This is to ensure that environmental effects of surface mining are minimized and lands disturbed by mining will be returned to long-term beneficial use, with the productivity of agricultural lands restored to pre-mine levels.
2. Reclamation of coal mines that were abandoned prior to 1977 and for which there is no continuing federal or state liability. Coal mines to be reclaimed under the Abandoned Mine Lands (AML) program, which is 100% federally funded, include sites that are extremely hazardous or potentially hazardous to the public and sites environmentally degraded due to past mining.



**REQUEST DETAIL BY PROGRAM**

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Biennium: 2011-2013

Program: Reclamation Programs		Reporting Level: 00-408-400-00-00-00-00000000			
Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
<b>Salaries and Wages</b>					
Salaries - Permanent	1,395,554	1,821,961	(8,169)	1,813,792	0
Temporary Salaries	25,930	15,000	121,000	136,000	0
Overtime	14,437	5,000	71,500	76,500	0
Fringe Benefits	443,396	564,630	50,034	614,664	0
<b>Total</b>	<b>1,879,317</b>	<b>2,406,591</b>	<b>234,365</b>	<b>2,640,956</b>	<b>0</b>
<b>Salaries and Wages</b>					
General Fund	413,406	521,537	62,542	584,079	0
Federal Funds	1,465,911	1,885,054	171,823	2,056,877	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>1,879,317</b>	<b>2,406,591</b>	<b>234,365</b>	<b>2,640,956</b>	<b>0</b>
<b>Operating Expenses</b>					
Travel	159,584	230,000	4,500	234,500	0
Supplies - IT Software	857	12,500	0	12,500	0
Supply/Material-Professional	1,765	20,500	0	20,500	0
Food and Clothing	674	750	0	750	0
Bldg, Ground, Maintenance	161	50	0	50	0
Miscellaneous Supplies	1,214	3,367	0	3,367	0
Office Supplies	2,226	3,133	0	3,133	0
Postage	2,513	3,350	0	3,350	0
Printing	69	2,500	0	2,500	0
IT Equip Under \$5,000	43,967	32,500	0	32,500	0
Other Equip Under \$5,000	1,900	1,900	0	1,900	0
Office Equip & Furn Supplies	1,969	3,000	0	3,000	0
Insurance	302	825	0	825	0
Rentals/Leases-Equip & Other	0	1,000	0	1,000	0
Rentals/Leases - Bldg/Land	73,409	80,000	0	80,000	0
Repairs	1,148	25,500	(18,500)	7,000	0
IT - Data Processing	0	500	0	500	0
IT - Communications	3,506	7,100	0	7,100	0
IT Contractual Svcs and Rprs	0	4,000	(4,000)	0	0
Professional Development	34,065	43,500	0	43,500	0
Operating Fees and Services	4,105	71,600	13,000	84,600	0
Fees - Professional Services	3,415	14,000	5,000	19,000	0
<b>Total</b>	<b>336,849</b>	<b>561,575</b>	<b>0</b>	<b>561,575</b>	<b>0</b>

Operating Expenses

**REQUEST DETAIL BY PROGRAM**

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Biennium: 2011-2013

Program: Reclamation Programs		Reporting Level: 00-408-400-00-00-00-00000000			
Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
General Fund	31,818	80,738	(8,620)	72,118	0
Federal Funds	305,031	480,837	8,620	489,457	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>336,849</b>	<b>561,575</b>	<b>0</b>	<b>561,575</b>	<b>0</b>
<b>Capital Assets</b>					
Equipment Over \$5000	2,216	75,000	(75,000)	0	0
<b>Total</b>	<b>2,216</b>	<b>75,000</b>	<b>(75,000)</b>	<b>0</b>	<b>0</b>
<b>Capital Assets</b>					
General Fund	388	3,600	(3,600)	0	0
Federal Funds	1,828	71,400	(71,400)	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>2,216</b>	<b>75,000</b>	<b>(75,000)</b>	<b>0</b>	<b>0</b>
<b>Grants</b>					
Transfers Out	8,000	10,000	6,000	16,000	0
<b>Total</b>	<b>8,000</b>	<b>10,000</b>	<b>6,000</b>	<b>16,000</b>	<b>0</b>
<b>Grants</b>					
General Fund	0	0	0	0	0
Federal Funds	8,000	10,000	6,000	16,000	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>8,000</b>	<b>10,000</b>	<b>6,000</b>	<b>16,000</b>	<b>0</b>
<b>AML Contractual Services</b>					
Fees - Professional Services	3,315,891	6,500,000	1,500,000	8,000,000	0
<b>Total</b>	<b>3,315,891</b>	<b>6,500,000</b>	<b>1,500,000</b>	<b>8,000,000</b>	<b>0</b>
<b>AML Contractual Services</b>					
General Fund	0	0	0	0	0
Federal Funds	3,315,891	6,500,000	1,500,000	8,000,000	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>3,315,891</b>	<b>6,500,000</b>	<b>1,500,000</b>	<b>8,000,000</b>	<b>0</b>
<b>Total Expenditures</b>	<b>5,542,273</b>	<b>9,553,166</b>	<b>1,665,365</b>	<b>11,218,531</b>	<b>0</b>

**Funding Sources**

**REQUEST DETAIL BY PROGRAM**

408 Public Service Commission

Bill#: SB2008

Date: 01/13/2011

Biennium: 2011-2013

Time: 11:30:19

Program: Reclamation Programs		Reporting Level: 00-408-400-00-00-00-00000000			
Description	Expenditures 2007-2009 Biennium	Present Budget 2009-2011	Budget Request Change	Requested Budget 2011-2013 Biennium	Optional Request 2011-2013
<b>General Fund</b>					
<b>Total</b>	<b>445,612</b>	<b>605,875</b>	<b>50,322</b>	<b>656,197</b>	<b>0</b>
<b>Federal Funds</b>					
R015 OSM Technical Assistance	9,776	10,000	0	10,000	0
R034 ND Permanent Program	880,908	1,121,109	77,672	1,198,781	0
R040 AML Administrative	417,043	696,355	(38,495)	657,860	0
R044 AML Construction	3,643,261	7,109,827	1,575,866	8,685,693	0
R056 AML Emergency Program	105,673	10,000	0	10,000	0
R092 AML Coal Fire Suppression	40,000	0	0	0	0
<b>Total</b>	<b>5,096,661</b>	<b>8,947,291</b>	<b>1,615,043</b>	<b>10,562,334</b>	<b>0</b>
<b>Total Funding Sources</b>	<b>5,542,273</b>	<b>9,553,166</b>	<b>1,665,365</b>	<b>11,218,531</b>	<b>0</b>
<b>FTE Employees</b>	<b>13.10</b>	<b>14.12</b>	<b>0.01</b>	<b>14.13</b>	<b>0.00</b>

**CHANGE PACKAGE DETAIL**

408 Public Service Commission

Biennium: 2011-2013

Bill#: SB2008

Date: 01/13/2011

Time: 11:30:19

Program: Reclamation Programs			Reporting Level: 00-408-400-00-00-00-00000000			
Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds

**Base Budget Changes****Ongoing Budget Changes**

A-A 1 Operating Expense Changes		0.00	(8,620)	8,620	0	0
A-A 2 Increase AML Construction Funding		0.00	0	1,500,000	0	1,500,000
A-A 3 ND Geological Survey Pass Through Funds		0.00	0	6,000	0	6,000
A-F 1 Remove Capital Asset Appropriations		0.00	(3,600)	(71,400)	0	(75,000)
Base Payroll Change		0.01	62,542	171,823	0	234,365
<b>Total Ongoing Budget Changes</b>		<b>0.01</b>	<b>50,322</b>	<b>1,615,043</b>	<b>0</b>	<b>1,665,365</b>
<b>Total Base Budget Changes</b>		<b>0.01</b>	<b>50,322</b>	<b>1,615,043</b>	<b>0</b>	<b>1,665,365</b>